

# **DELAWARE RIVER BASIN COMMISSION**

## **Water Charges Advisory Committee**

### **Charge, Membership and Practice and Procedures**

Resolution 2010-09 authorized the Executive Director establish a Water Charges Advisory Committee (WCAC) to advise the Commission on the analysis and interpretation of studies that will be conducted to evaluate the various aspects of the Commission's water supply charges program. The water supply charges program, outlined in the *Administrative Manual – Part III: Basin Regulations – Water Supply Charges* was instituted so the Commission could, on behalf of the signatory parties, acquire the right(s) to use and to control water supply facilities associated with Federal Projects authorized in the Comprehensive Plan. The Compact and subsequent regulations allow the Commission to establish a schedule of rates for basin water withdrawals and provided that the charges for water supply included all costs associated with making the basin water supply available and maintaining its continued availability in adequate quantity and quality over time. The Commission is further required to collect sufficient annual revenues to meet all annual project costs, including debt service, operation, maintenance, replacement reserves and associated administrative costs. The water rate consists of "the weighted-average unit cost of all water stored by or on behalf of the Commission", determined "by dividing all of the Commission's annual project costs by the net yield of the water. Additional details about the water supply charges program may be found at <http://www.state.nj.us/drbc/regs/watercharges/index.htm>

**COMMITTEE CHARGE** To advise the Executive Director on policy on matters relating to existing and potential changes to the Commission water charging program and rates, including review of the Request(s) for Proposals and results from studies related to:

- Projected capital, operation and maintenance needs to support the current USACE infrastructure;
- Required reserve and the rate of accumulation of retained earnings (requires a qualified consultant in the fields of asset management and capital funding);
- The adequacy of the existing water rates and the basis of the rate calculation as found in Resolution No. 71-4, Sec. 2 (see also water code);
- The existing fund accrual formula and develop new formula based on needs and equity issues;
- The administrative and related program expenses that are attributable to the facilities and the services rendered thereby for inclusion in the rate calculation;
- Development of a charging program for groundwater in addition to surface water; and
- Expansion of the WSSF above Montague or developing separate program for the upper basin.

The WCAC will be an ad hoc Committee for the express purpose of reviewing studies outlined above and providing recommendations to the Commissioners about the results of the studies. The expected duration of the WCAC is anticipated to be two years, but is dependent upon the time required for the studies to be completed and the WCAC to review and develop recommendations. The Commission staff have been separately charged with developing the scope of work for the studies referenced.

### **MEMBERSHIP**

The Water Charges Advisory Committee (WCAC) will be comprised of individuals and organizations within the Basin that are affected by the water charges program. The WCAC will be an ad hoc Committee for the express purpose of reviewing studies outlined above and providing recommendations to the Executive Director about the results of the studies. The WCAC will terminate two years from the date of its formation, but may be extended at the direction of the Executive Director or by Resolution of the Commission. The Committee may be requested to brief the Commissioners regarding its advice and

recommendations. Committee recommendations and advice is advisory only. All determinations and changes to the Commission's Water Supply Charges Regulations are subject to Commission action after notice and opportunity for public comment.

The WCAC shall consist of fifteen (15) representatives to be appointed by the Executive Director from the following:

- One for each of the signatory parties to the Commission (states (4) and United States Army Corps of Engineers(1));
- The United States Geological Survey (1);
- One power company that currently pays Commission water charges (1);
- Two water purveyors, one private and one municipal, that currently pay Commission water charges (2);
- One industrial company that currently pays Commission water charges (1)
- One groundwater user that does not currently pay Commission water charges (1)
- The Water Resources Association (1);
- A governmental organization, similar to the Commission, which imposes water charges (1);
- An academic institution (1); and
- An environmental stakeholder group (1).

## **PRACTICE AND PROCEDURES**

### **I. Appointments and Terms**

- A. All members will serve for a two-year term.
- B. Signatory party representatives will be designated by the respective signatory party.
- C. The United States Geological Survey will nominate a representative to the Executive Director.
- D. All other members will be appointed by the Executive Director after consultation with the signatory parties and concurrence of the Chair of the Commission,
- E. If the Executive Director determines the need to continue the WCAC beyond the two-year period, members of the committee may be extended or new members (other than the signatory party representatives, which shall be designated by the signatory parties) may appointed by the Executive Director.

### **II. Meeting Frequency**

The Water Charges Advisory Committee is expected to meet on a quarterly basis unless otherwise decided by the Committee Chair. Meetings will be scheduled in advance and will be open to the public. Meeting schedules and agenda will be posted on the Commission's website. Meetings will not be scheduled, if in advance, it is know that a quorum will not be present.

### **III. Responsibilities**

- A. Each member of the Committee will make every reasonable effort to participate in the work of the WCAC and to attend all meetings. A member may designate an alternate to represent them in their absence. For the purposes of this document, any reference to members and membership includes their designated alternates.
- B. Each member shall make a concerted effort to attend each meeting. Failure of any member or designated alternative to attend more than two meetings of the Committee in any one fiscal year period will result in referral to the Executive Director for review of their appointment.

- C. Commission staff will serve as technical and legal experts to the Committee regarding matters of the Compact, Commission regulations and procedures. Commission staff will also assist the committee by providing reasonable administrative support to the committee.
- D. Each member of the Committee appointed to represent state or federal interests will utilize technical resources at their disposal as appropriate to assist the Committee and to coordinate with other state or federal agencies with authority or interests in the issues under consideration.
- E. Other members are encouraged to coordinate with and to engage technical resources and assistance through other entities in their stakeholder category.
- F. The committee may invite additional knowledgeable persons to attend meetings to provide advice on specific issues.

#### **IV. Committee Officers**

- A. A Chair and Vice-Chair will be elected by the Committee from among the members of the Committee.
- B. The Chair will preside at Committee meetings in general accordance with Robert's Rules of Order. The Vice-Chair will assume the responsibilities of the Chair in the absence of the chair.

#### **V. Voting**

- A. The Committee is encouraged to reach consensus on its advice and recommendations and should present the majority as well as the minority positions.
- B. When votes are necessary a quorum is needed for voting. A quorum of eight or more members is needed for official action with a simple majority needed for any decision.
- C. Each Committee member shall have one vote.
- D. Motions may be offered by any member. After seconding by another member, the membership will be polled. Motions are passed if a majority of the members present affirm the motion.
- E. Dissenting members shall have the privilege of filing a minority report for consideration by the Executive Director.

#### **VI. Policy Issues**

Members may identify issues for consideration by the Executive Director and offer proposals on these issues. Issues will be presented to the Executive Director by the Chair or Vice-Chair of the Committee. The presentation will include the pros and cons of possible alternative approaches, the substance of the discussion, and the recommendation of the Committee. In cases where the Committee does not agree on an issue, the Chair or the Vice-Chair will also present the alternative approach.

#### **VII. Staff and Support**

- A. DRBC will provide staff support to the Committee including assistance with the scheduling of meetings and the preparation and distribution of agendas, minutes and other documents. DRBC may also lend technical assistance within its resources.
- B. Commission staff may participate in Committee meetings but shall not have voting power. Staff shall be free to endorse or disagree with specific recommendations through a summary report to the Executive Director.
- C. Draft summaries of the meetings will be prepared by Commission staff distributed to the committee for approval at the next scheduled committee meeting.
- D. Summaries shall primarily consist of action items, agendas, etc. and will not be verbatim recordings of the meetings. Agendas will indicate issues likely to require official committee action.

<u>LAST NAME</u>	<u>FIRST NAME</u>	<u>TITLE</u>	<u>AFFILIATION</u>	<u>COMPANY/ORGANIZATION</u>
Schmitt	Erik	Environmental Engineer 2	NY	NYS DEC, Division of Water
Moran	Maria	Director, Division of Water	NJ	Board of Public Utilities, State of New Jersey
<b>TBD</b>			PA	
<b>TBD</b>			DE	
Rourke	Erik	Strategic Planner	USACE	USACE
Kropp	Rick	Water Science Center Director	USGS	USGS
Matty	Bob	Manager,	POWER	EXELON GENERATION COMPANY, LLC
Monaco, P.E.	Vincent	Engineering Manager	Private Purveyor	NJ American Water
Bradbury	Tom	Director of Regulatory Affairs	Municipal Purveyor	North Wales Water
Barksdale	Charles	Environmental Manager	Industry	Sunoco, Inc.
Esposito	Gerry	President	GW/Non-Payer	Tidewater Utilities
Molzhan	Robert	President	WRA	Water Resource Association
<b>TBD</b>			Government	
Kauffman, P.E.	Gerald	Project Director,	Academic	University of Delaware
Noble	Mary Ellen	Associate Director	Environmental	Delaware Riverkeeper